GOVERNMENT OF INDIA
STEEL
LOK SABHA

UNSTARRED QUESTION NO:5966
ANSWERED ON:10.04.2017
Performance of Steel Sector
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Will the Minister of STEEL be pleased to state:

(a) the contribution of steel sector in the domestic product of the country during the year 2015-16;
(b) the current status of production, import, demand and supply of steel in the country at present;
(c) the details of the production, import, demand and supply in the country during each of the last three years;
(d) the percentage of the non-performing assets of the public sector Banks in the Steel industry; and
(e) the corrective steps taken by the Government in this regard?

Answer

THE MINISTER OF STATE FOR STEEL (SHRI VISHNU DEO SAI)

(a) The domestic steel industry generally contributes around 2 per cent in the nation''s Gross Domestic Product (GDP).

(b) The crude steel production, production for sale, import, export, real consumption of total finished steel (non-alloy + alloy/stainless) during April-Feb.2016-17 is shown below:-

Period Crude steel
Production
(mt) Total Finished Steel (non-alloy + alloy) (mt)
Production
for sale Import Export Consumption
2016-17 * 97.38 101.27 7.43 8.24 83.93
Source: Joint Plant Committee (JPC); * provisional figures; mt=million tonnes

(c) The details of crude steel production, production for sale, import, export, real consumption of total finished steel (non-alloy + alloy/stainless) in the country during the last three years is shown below:-

Year Crude steel
production
(mt) Total Finished Steel (mt)
Production
for sale Import Export Real
Consumption
2013-14 81.69 87.67 5.45 5.99 74.09
2014-15 88.98 92.16 9.32 5.59 76.99
2015-16 89.79 90.98 11.71 4.08 81.52
Source: Joint Plant Committee (JPC)

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(d) The total Advances to Iron and Steel sector pertaining to Public Sector Banks as on 31.12.2016 was Rs.2,80,728.27 crore and Gross Non Performing Assets were of Rs.1,46,668.85 crore (source: Department of Financial Services, Ministry of Finance).

(e) The Government has taken the following remedial measures in recent times to support the domestic steel:-

i) To provide level playing field to the domestic steel producers, Government has extended Minimum Import Price(MIP) on 19 steel products till 4th February, 2017 vide DGFT Notification No. 31/2015-2020 dated 03.12.2016.
ii) The Government has launched the 'Make-in-India' initiative to focus on manufacturing and infrastructure, which will help in promoting the demand and consumption of steel in the country.
iii) Increase the peak rate of Basic Customs Duty on both flat and non-flat steel to 15% from 10% in the Union Budget 2015-16.
iv) Increased the import duty on ingots & billets, alloy steel (flat & long), stainless steel (long) and non-alloy long products to 7.5% (from 5%) and non-alloy and other alloy flat products to 10%(from 7.5%). This has been further revised in August, 2015. Currently, import duty on flat steel is applicable at 12.5% on long steel products at 10% and on semi-finished steel products at 10%.

v) Levied the Anti-Dumping Duty for five years on imports of certain variety of hot-rolled flat products of stainless steel from China ($309 per tonne), Korea ($180 per tonne) and Malaysia ($316 per tonne).
vi) Imposed the Safeguard Duty of 20% in March 2016 on hot-rolled flat products of non-alloy steel, in coils of width of 600 mm or more.

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